M/s Gayathri Projects Ltd., are executing the works relating to flood control measures for Visakhapatnam Airport. Agreement for execution of the works has been entered into on 15.3.2007.

The Chief Executive of the Agency has addressed number of letters to the Executive Engineer , Chief Engineer and to Government with a request to settle all the outstanding issues.

The issues raised by the Agency , the status of the issue is indicated below:

Payment of pending bills.

Reply: The Executive Engineer in his letter addressed to the Agency on 23.3.2009 informed that an amount Rs.15,59,17,749 was paid from December upto March as against the value of the work done of Rs.17 crores. Total payments made against total agreement value of Rs.60.726 Crores overall progress achieved is 28%. Extension of time is available upto 14.6.2009.

The E.E. has also informed the Agency it is likely that L.Ds be levied and further extension of time may not be granted in view of the poor performance of the firm.

Approval of data for Sheet Piles;

Reply: The Chief Engineer in his letter dated 15.11.2008 has informed Agency that the data submitted for supply of Sheet Pile and driving and positioning of Sheet Pile has been approved and communicated to the S.E., on 27.8.2008

Dredging & Payment for removal of stumps:

Reply: The Executive Engineer in his letter dated 30.3.2009 has informed the Agency that the dredging work was stopped by the Agency long back due to lack of minimum maintenance. The Agency was requested to resume the dredging work at the earliest so as to allow free flow of flood waters. Removal of water hyacinth & Jammu

in Kondagedda course has to be removed by the Agency to ensure free flow of flood water. Since the agreement is in force the Agency is bound to carry out the works as per the directions of the Department and as per the agreement conditions.

Payments for conveyance of soil from Barrow area for the formation of bunding along with Kondagaddi and deduction of sewerage charges and less payment for formation of embankment:

Reply: The Executive Engineer in his letter dated 30.3.2009 addressed to the Agency has informed that payments for the embankment works done is being processed as per agreement condition and that this position was explained to the Agency several times.

Payment for removal of Sheet Piles:

Reply: The Executive Engineer has informed the Agency that the question of making payment for removal of Sheet Piles driven at the head of Kondagedda does not arise at all. The work has been done unilaterally and in haste when the decision is pending. The work is carried out is not covered in the approved location and as such the question of payment does not arise.

The Executive Engineer has also advised the agency of the following position.

The agency has been informed to leave the pipe lines which come across channellazation and go ahead with excavation part as per the agreement condition. But still there are patches &High mounds above bed – level to be removed. The agency has been advised to ensure complete excavation for free flow of water.

The agency has been requested to start the structures for which drawings are communicated by following the advise of the Dept.,, It is already informed to the Agency site Engineers regarding change of location of the DL Bridge from 4,500 to 3.350 on Kondagedda drain so that the construction of the structure may be started duly conducting plate load test @3.350 for the SBC values immediately.

The issue of formation of embankment & Payments was already discussed at high level with the advisors to Government and it is once again informed that payments are processed as per agreement condition any further correspondence on this issue will not be taken into cognizance.

The Agency has also been informed that all eligible payments are paid and the Agency has been requested to concentrate on the work duly attending for rectifications on the work as per the direction of the department to complete the work with in the agreement period.

The Agency is requesting for a meeting to sort out the issues . Submitted for orders.